S.B. No. 1121

5. B. NO. //>

A BILL

TO BE ENTITLED

and AN ACT authorizing the creation of a Hospital District comprising all of Uvalde County, Texas, and the assumption of all outstanding indebtedness of Uvalde County incurred for hospital purposes; providing that such District shall assume full responsibility for medical and hospital care for the eligible needy residing within the District and authorizing the admission to its hospital of persons who are able to pay; providing that such District shall not be created until authorized by a majority vote of the resident legally qualified property tax-paying voters in said District at an election called by the Commissioners Court on its own motion or upon petition, at which election the proposition for the issuance of bonds of the District may also be submitted; prescribing the form of ballot for said election; providing that failure of any proposition at any such election shall not prohibit the calling and holding of subsequent elections for the same purpose; authorizing the levy of a tax by said District not exceeding Seventy-Tive Cents (75¢) on the One Hundred Dollars (\$100.00) valuation of taxable property for the purpose of maintaining and operating a hospital or hospitals and making additions and improvements thereto; providing for the appointment of a Board of Hospital Managers and prescribing its powers and duties; authorizing the establishment of a retirement system for employees of the District; granting the power of eminent domain to the District; providing for the selection of a

depository or depositories for funds of the District; prescribing the duties of officers and employees of the District and other officers of the County and State with respect to the District; prohibiting the levy of any tax by Uvalde County, or any city therein, for hospital purposes after the creation of the District; providing the method of assessing and collecting taxes; authorizing the issuance of bonds of the District and prescribing the procedure therefor; authorizing the issuance of refunding bonds by the District; authorizing the conveyance of all hospital properties by Uvalde County to the Hospital District; authorizing the Board of Hospital Managers to accept donations, gifts, and endowments for the Hospital District; making bonds of the District eligible for investment of certain funds and as security for certain deposits; making a finding that local notice has been properly given; providing a savings clause; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. In accordance with the provisions of Article IX, Section 9, Constitution of the State of Texas, this Act shall be operative so as to authorize the creation, establishment, maintenance and operation of a Hospital District within the State of Texas, to be known as Uvalde County Hospital District, and the boundaries of said District shall be coextensive with the boundaries of Uvalde County (hereinafter referred to as the "County"), and said District shall have the powers and responsibilities provided by the aforesaid Constitutional provision.



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Section 2. That said District hereby provided for shall admit patients to the hospital who are inhabitants of the District and who are able to pay for medical and hospital care and shall assume full responsibility for providing medical and hospital care for the eligible needy inhabitants of the District who are not able to pay all or a part of the cost of such medical and hospital care; provided, however, that such Hospital District shall not be created unless and until an election is duly held in said County for such purpose, which said election may be initiated by the Commissioners Court upon its own motion or upon a petition of fifty (50) resident legally qualified property taxpaying voters, to be held not less than thirty (30) days from the time said election is ordered by the Commissioners' Court. At such election there shall be submitted to the resident legally qualified property taxpaying voters the proposition of whether or not a Hospital District shall be created in the County; and a majority of the resident legally qualified property taxpaying electors participating in said election voting in favor of the proposition shall be necessary. The ballots for said election shall have printed thereon:

"FOR the creation of a Hospital District; providing for the levy of a tax not to exceed Seventy-Five Cents (75¢) on the One Hundred Dollars (\$100.00) valuation; and providing for the assumption by such District of all outstanding bonds heretofore issued by Uvalde County for hospital purposes"; and

"AGAINST the creation of a Hospital District; providing for the levy of a tax not to exceed Seventy-Tive Cents (75¢) on the One Hundred Dollars (\$100.00) valuation; and providing for the assumption by such District of all outstanding bonds heretofore issued by Uvalde County for hospital purposes."

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At said election there may also be submitted the question of the issuance of bonds of the District in an amount that may be prayed for in the aforesaid petition or as determined by the Commissioners Court if said election is ordered on its own motion; and in the event the question of the issuance of bonds is submitted at said election, the ballots shall have printed thereon:

"FOR the issuance of bonds of the District in the amount of

and the levying of the tax in payment thereof;

provided, however, that said tax together with the tax for maintenance and operation purposes shall never exceed Seventy-Five Cents (75¢) on the One Hundred Dollars (\$100.00) valuation of taxable property in the District?" and

"AGAINST the issuance of bonds of the District in the amount of and the levying of the tax in payment thereof; provided, however, that said tax together with the tax for maintenance and operation purposes shall never exceed Seventy rive Cents (75¢) on the One Hundred Dollars (\$100.00) valuation of taxable property in the District."

Notice of such election shall be posted at the county courthouse door and at a public place in each Commissioner's Precinct in the county at least thirty (30) days prior to the date of the election and shall be published in a newspaper of general circulation published in the county, on the same day in each of three successive weeks, the date of the first publication to be not less than thirty (30) days prior to the date of the election.

The failure of any such election shall not operate to prohibit the calling and holding of subsequent elections for the same purpose.

Section 3. As soon as the Hospital District is created and authorized at the election hereinabove provided, the Commissioners Court shall appoint a Board of Hospital Managers, consisting of six (6) members, three of whom shall serve for a term of two (2) years and three of whom shall serve for a term of one (1) year; thereafter, three members shall be appointed each year to serve for a term of two (2) years. Failure of any member of the Board of Hospital Managers to attend three (3) consecutive regular meetings of the Board shall cause a vacancy in his office, unless such absence is excused by formal action of the Board. In the event a vacancy occurs on the Board of Hospital Managers, the remaining members shall appoint a member to fill such vacancy for the remainder of the term of office so vacated. The Board of Hospital Managers shall serve without

compensation but may be reimbursed for their actual and necessary traveling and other expenses incurred in the performance of their duties as determined by the Board of Hospital Managers. The duties of the Board of Hospital Managers shall be to manage, control and administer the hospital or hospital system of the Hospital District. The Board of Hospital Managers shall have the power and authority to sue and be sued and to promulgate rules and regulations for the operation of the hospital or hospital system, including the authority to adopt and amend by-laws governing the proceedings of the Board.

Administrator of the Hospital District, and who shall receive such compensation as may be fixed by the Board. The Administrator shall be subject to removal at any time by the Board. The Administrator shall, before entering into the discharge of his duties, execute a

bond payable to the District, in the amount of not less than Ten Thousand Dollars (\$10,000.00), conditioned that he shall well and faithfully perform the duties required of him, and containing such other conditions as the Board may require. The Administrator shall perform all duties which may be required of him by the Board, and shall supervise all of the work and activities of the District, and have general direction of the affairs of the District, within such limitations as may be prescribed by the Board. He shall be a person qualified by training and experience for the position of Administrator.

The Board of Hospital Managers shall give the authority to the Administrator to employ such employees of every kind and character as may be deemed advisable for the efficient operation of the hospital or hospital system.

The Board of Hospital Managers shall be authorized to contract with any county for care and treatment of the county's sick, diseased and injured persons, and with the \$tate and agencies of the Federal Government for the care and treatment of such persons for whom the \$tate and such agencies of the Federal Government are responsible. Further, under the same conditions, the Board of Hospital Managers may enter into such contracts with the \$tate and Federal Government.

as may be necessary to establish or continue a retirement program for the benefit of its employees.

The Board of Hospital Managers may in addition to retirement programs authorized by this Act establish such other retirement program for the benefit of its employees as it deems necessary and advisable.

A majority of the Board of Hospital Managers present shall constitute a quorum for the transaction of any business. From

..among

its members, the Board shall choose a Chairman, who shall preside; or in his absence a Chairman Pro Tem shall preside; and the Administrator or any member of the Board may be appointed Secretary. The Board shall require the Secretary to keep suitable records of all proceedings of each meeting of the Board. Such records shall be read and signed after each meeting by the Chairman or the member presiding, and attested by the Secretary. The Board shall have a seal, on which shall be engraved the name of the Hospital District; and said seal shall be kept by the Secretary and used in authentication of all acts of the Board.

Section 4. The Board of Hospital Managers shall have the power to prescribe the method and manner of making purchases and expenditures by and for such Hospital District and also shall be authorized to prescribe all accounting and control procedures. The Board shall cause an annual audit to be made of the books and records of the District as soon as practicable after the close of each fiscal year, such audit to cover such fiscal year, and to be made by an independent public accountant. The Hospital District shall pay all salaries and expenses necessarily incurred by the Board or any of its officers and agents in performing any duties which may be prescribed or required under this section. It shall be the duty of any officer, employee or agent of the Board to perform and carry out any function or service prescribed by the Board hereunder.

Section 5. In the event of incapacity, absence or inability of the Administrator to discharge any of the duties required of him, the Board may designate an assistant to the Administrator to discharge

any duties or functions required of the Administrator.

or other persons shall give bond and have such limitations upon his

Section 6. Once each year, as soon as practicable after the close of the fiscal year, the Administrator of the Hospital District shall report to the Board of Hospital Managers and the Commissioners Court, a full sworn statement of all moneys and choses in action received by such Administrator and how disbursed or otherwise disposed of. Such report shall show in detail the operations of the District for the year. Under the direction of the Board of Hospital Managers, he shall prepare an annual budget which shall be approved

authority as may be fixed by the order of the Board.

by the Board of Hospital Managers.

Section 7. The Hospital District organized in pursuance of this Act shall have the right and power of eminent domain for the purpose of acquiring by condemnation any and all property of any kind or character, real, personal or mixed, or any interest therein, including outright ownership of such property in fee simple absolute, within the boundaries of the said District, necessary or convenient to the exercise of the rights, powers, privileges, and functions conferred upon it by this Act; in the manner provided by General Law with respect to condemnation; provided that the said District shall not be required to make deposits in the registry of the trial court of the sum required by Paragraph Numbered 2 in Article 3268, V.C.S., 1925, or to make the bond required therein. In condemnation proceedings being prosecuted by the said District, the District shall not be required to pay in advance or give any bond otherwise required for the issuance of a temporary restraining order or a temporary

injunction relating to a condemnation proceeding, nor to give bond for costs or for supersedeas or any appeal or writ of error proceeding to any Court of Civil Appeals, or to the Supreme Court.

Section 8. Within thirty (30) days after the appointment of the Board of Hospital Managers of the District and each two years thereafter the Board shall select a depository or depositories for such District; such depository or depositories shall secure all funds of the District in the manner now provided for the security of county funds.

Section 9. The Hospital District established or maintained under the provisions of this Act shall be subject to inspection by any duly authorized representative of the State Board of Health, and resident officers shall admit such representatives into all Hospital District facilities and give them access on demand to all records, reports, books, papers, and account pertaining to the Hospital District.

Section 10. The Board of Hospital Managers shall be authorized to employ legal counsel to represent the Hospital District in all legal matters whenever the Board deems such action advisable.

Section 11. Neither the County nor any city therein shall, after the Hospital District has been organized in pursuance of this Act, levy any tax for hospital purposes; and such Hospital District shall be deemed to have assumed full responsibility for the furnishing of medical and hospital care for the eligible needy and indigent persons residing in said Hospital District from the date that taxes are collected for the Hospital District.

That portion of delinquent taxes owed the county on levies for present county hospital system shall continue to be paid to

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Hospital District by the county as collected and shall be applied by the Hospital District to the purposes for which such taxes originally were levied.

Section 12. Whenever a patient has been admitted to the facilities of the Hospital District from the county, the Administrator shall cause inquiry to be made as to his circumstances, and of the relatives of such patient legally liable for his support. If he finds that such patient or said relatives are liable to pay for his care and treatment in whole or in part, an order shall be made directing such patient, or said relatives, to pay to the Hospital District for the care of such patient a specified sum per week, in proportion to their financial ability, but such sum shall not exceed the usual and customary charges for services rendered. The Administrator shall have power and authority to collect such sum from the estate of the patient,

or his relatives legally liable for his support, in the manner provided by law for the collection of expenses of the last illness of a deceased person. If the Administrator finds that such patient or said relatives are not able to pay, either in whole or in part, for his care and treatment in such hospital, the same shall become a charge upon the Hospital District. Should there be a dispute as to the ability to pay, or doubt in the mind of the Administrator, the County Court shall hear and determine same, after calling witnesses, and shall make such order as may be proper, from which appeal shall lie to the District Court by either party to the dispute.

Section 13. The Board of Hospital Managers shall have the power and authority, and it shall be its duty, to levy on all property subject to Hospital District taxation, a tax of not to exceed

Tive Cents (75¢) on the One Hundred Dollars (\$100.00) valuation of all taxable property within the Hospital District for the purpose of (1) paying the interest on and creating a sinking fund for bonds which may have been assumed or which may be issued by the Hospital District for hospital purposes as herein provided; (2) providing for the operation and maintenance of the hospital or hospital system; and (3) making further improvements and additions to the hospital system and acquiring necessary sites therefor, by purchase, lease or condemnation.

The tax so levied shall be collected on all property subject to Hospital District taxation by the Assessor and Collector of Taxes for the Bounty on the county values, and in the same manner, and under the same conditions, as county taxes; provided, however, that the Hospital District may appoint its own Assessor and Collector of Taxes and may assess and collect taxes in the same manner as now provided by General Law for independent school districts. When the County Assessor and Collector of Taxes is serving as Assessor and Collector for the Hospital District, he shall charge and deduct from payments to the Hospital District the fees for assessing and collecting the tax at the rate of one and one-half per cent (1-1/2%) of the amounts collected. Such fees shall be deposited in the County's General Fund, and shall be reported as fees of office of the Tax Assessor and Collector.

The Assessor and Collector of Taxes shall execute a bond payable to the Hospital District in an amount prescribed by the Board of Hospital Managers, which shall be not less than the maximum amount of money which will be held by such Assessor and Collector of Taxes at any one time. A report shall

showing the amount of taxes collected during the previous month and the amount so collected shall be deposited by the Assessor and Collector of Taxes tor of Taxes in the District's depository or depositories to the credit of the Hospital District.

Interest and penalties on taxes paid to the Hospital District shall be the same as in the case of county taxes. Discounts shall be the same as for county taxes. The residue of tax collections, after deduction of discounts and fees for assessing and collecting, shall be deposited in the District depository or depositories; and such funds shall be withdrawn only as provided herein. All other income of the Hospital District shall be deposited in like manner with the District depository or depositories.

The Board of Hospital Managers shall have the authority to levy the tax aforesaid for the entire year in which the said Hospital District is established for the purpose of securing funds to initiate the operation of the Hospital District, and to pay the principal of and interest on all bonds issued or assumed by the District.

Section 14. The Board of Hospital Managers shall have the power and authority to issue and sell, as the obligations of such Hospital District, bonds for the purchase, construction, acquisition, repair or renovation of buildings and improvements and equipping same, for hospital purposes and for any or all of such purposes; provided that a sufficient tax shall be levied to create an interest and sinking fund to pay the interest and principal as same matures and that said tax, together with any other taxes levied for said District, shall not

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exceed Seventy-rive Cents (75¢) on the One Hundred Dollars (\$100.00) valuation of taxable property in any one year. Such bonds shall be executed in the name of the Hospital District and on its behalf by the Chairman of the Board of Hospital Managers, and countersigned by the

Secretary of the Board, and shall be subject to the same requirements in the matter of approval thereof by the Attorney General of the State of Texas and registration thereof by the Comptroller of Public Accounts of the State of Texas as are by law provided for such approval and registration of bonds of the county; and the approval of such bonds by the Attorney General shall have the same force and effect as is by law given to his approval of bonds of the County. No bonds shall be issued by such Hospital District (except refunding bonds) until authorized by a majority vote of the legally qualified property taxpaying voters residing in such Hospital District voting at an election called and held in accordance with the provisions of Chapter 1, Title 22, of the Revised Civil Statutes of the State of Texas (1925), as amended, relating to county bonds. Such election shall be called by the Board of Hospital Managers, and such Board shall designate the places for holding said election and shall name the persons who shall conduct said election, in the manner provided by General Law. In the event the initial bonds are voted at an election called by the Commissioners Court at the time of the election for the creation of the District, such initial election shall be governed by the provisions of Section 2 hereof.

In the manner hereinabove provided, the bonds of such Hospital District may, without the necessity of any election therefor, be issued for the purpose of refunding or paying off any bonded indebtedness theretofore assumed by the Hospital District

and any bonds theretofore issued by the Hospital District; such refunding bonds may be sold and the proceeds thereof applied to the payment of any such outstanding bonds or may be exchanged in whole or in part for not less than a like amount of said outstanding bonds and interest matured thereon, but unpaid; provided the average interest cost per annum on the refunding bonds, computed in accordance with the recognized standard bond interest cost tables, shall not exceed the average interest cost per annum so computed upon the bonds to be discharged out of the proceeds of the refunding bonds, unless the total interest cost on the refunding bonds, computed to their respective maturity dates, is less than the total interest cost so computed on the bonds to be discharged out of such proceeds. In the foregoing computations,

any premium or premiums required to be paid upon the bonds to be refunded as a condition to the payment in advance of their stated maturity dates shall be taken into account as an addition to the net interest cost to the Hospital District of the refunding bonds.

Section 15. Any lands, buildings or equipment that may be owned by the county, and by which medical services or hospital care, including geriatric care, are furnished to the indigent or needy persons of the county, shall become the property of the Hospital District; and title thereto shall vest in the Hospital District; and any funds of the county which are the proceeds of any bonds assumed by the Hospital District, as hereby provided, shall become the funds of the Hospital District; and title thereto shall vest in the Hospital District; and there shall vest in the Hospital District and become the funds of the Hospital District the unspent portions of any funds theretofore set

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up or appropriated by budget or otherwise by the county for the support and maintenance of the hospital facilities for the year within which the Hospital District comes into existence, thereby providing such Hospital District with funds with which to maintain and operate such facilities for the remainder of such year. All obligations under contract legally incurred by the County for the building of, or the support and maintenance of, hospital facilities, prior to the creation of the said District but outstanding at the time of the creation of the District, shall be assumed and discharged by it without prejudice to the rights of third parties, provided that the management and control of the property and affairs of the present hospital system shall continue in the Board of Managers of the present hospital system until appointment and organization of the Board of Hospital Managers of the Hospital District, at which time the Board of Managers of the present hospital system shall turn over all records, property and affairs of said hospital system to the Board of Hospital Managers of the Hospital District.

Any outstanding bonded indebtedness incurred by the Lounty in the acquisition of such lands, buildings and equipment, or in the construction and equipping of such hospital facilities, together with any other outstanding bonds issued by the County for hospital purposes,

and the proceeds of which are in whole or in part still unspent, shall be assumed by the Hospital District and become the obligation of the Hospital District; and the County shall be by the Hospital District relieved of any further liability for the payment thereof, or for providing interest and sinking fund requirements thereon; provided that nothing herein contained shall limit or affect any of the rights

of any of the holders of such bonds against the payment of the principal or interest on any of such bonds in accordance with their respective terms.

The Commissioners' Court, as soon as the Hospital District is created and authorized at the election hereinabove provided, and there have been appointed and qualified the Board of Hospital Managers hereinabove provided for, shall execute and deliver to the Hospital District, to-wit: to its said Board of Hospital Managers, an instrument in writing conveying to said Hospital District the hospital property, including lands, buildings and equipment; and shall transfer to said Hospital District the funds hereinabove provided to become vested in the Hospital District, upon being furnished the certificate of the Chairman of the Board to the fact that a depository for the District's funds has been selected and has qualified; which funds shall, in the hands of the Hospital District and of its Board of Hospital Managers, be used for all or any of the same purposes as, and for no other purposes than, the purposes for which the Founty could lawfully have used the same had they remained the property and funds of such County.

Section 16. The Board of Hospital Managers of the Hospital District is authorized on behalf of said Hospital District to accept donations, gifts, and endowments for the Hospital District, to be held in trust and administered by the Board of Hospital Managers for such purposes and under such directions, limitations, and provisions as may be prescribed in writing by donor, not inconsistent with proper management and objects of the Hospital District.

Section 17. All bonds (including refunding bonds) issued by or assumed by the District authorized to be established and created

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-under

the provisions of this Act shall be and are declared to be legal and authorized investments for banks, savings banks, trust companies,

fiduciaries, building and loan associations, insurance companies, trustees, guardians, and for the sinking funds of cities, towns, villages, counties, school districts, or other political corporations or subdivisions of the State of Texas; and such bonds shall be lawful and sufficient security for deposits to the extent of their face value when accompanied by all unmatured coupons appurtenant thereto.

Section 18. The Legislature hereby finds affirmatively that thirty (30) days' public notice was duly given in accordance with the provisions of Article IX, Section 9, of the Constitution of the State of Texas, of the intention to apply to this Legislature to enact a law providing for the creation, establishment, maintenance and operation of the Hospital District herein provided for.

Section 19. If any word, phrase, sentence, section, portion or provision of this Act or the application thereof to any person or circumstance shall be held to be invalid or unconstitutional, the remainder of this Act, and the application of such word, phrase, sentence, section, portion or provision to other persons or circumstances, shall not be affected thereby. In the event any of the provisions hereof shall be in conflict with any other law of this state, the provisions of this Act shall prevail.

Section 20. The fact that the Hospital District authorized to be created and established under the provisions of this Act is for the promotion of the public welfare of the inhabitants of the County and the procedure for the creation thereof should be

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an early date creates an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three several days in each House be suspended, and said Rule is hereby

suspended; and that this Act shall take effect and be in force from

and after its passage, and it is so enacted.



AFFIDAVIT OF PUBLICATION

	OF UVALDE)
	EFORE ME, the undersigned authority, on this day personally
	ed <u>Harry P Hornby Jr.</u> , known to me, who first duly sworn, deposes and upon his oath says:
1.	. That he is the <u>Fublisher</u> (Title)
	The Uvalde Leader-News , a newspaper of
	circulation published in Uvalde County, Texas;
	at he caused the attached NOTICE OF INTENTION TO APPLY FOR
	LAW to be published in said newspaper on the following dates,
to-wit:	
	December 17, 1964
	December 24, 1964
	December 31, 1964
	January 7, 1965
2. said no	That the publication made is a true and correct copy of tice, a printed copy of which is attached hereto.
	Harry Delounes
S	UBSCRIBED AND SWORN TO BEFORE ME this8th day of
January	
	Olesse Muellen NOTARY PUBLIC, UVALDE COUNTY, TEXAS
(SEAL)	
	APPLY FOR LOCAL IAW NOTICE IS HEREBY GIV- EN that it is the intention of the Board of Managers of the Uvalde County Hospital, Uvalde County, Texas, to apply to the 59th Legislature of Texas, at its regular session in Austin, Texas, in January, 1965, to enact a law providing for the creation, establishment, maintenance and operation of a hospital district embracing all of Uvalde County, Texas, as authorized by Section 9, Article IX, of the Constitution of Texas. J. B. Kelley Chairman, Board of Managers of Uvalde County, Texas G. W. McMurry, Vice-President, Board of Managers, Uvalde County, Texas R. E. Beecroft, Treasurer, Board of Managers, Uvalde County, Texas S. H. Fly, Jr., Secretary, Board of Managers, Uvalde County, Hospital, Uvalde County, Texas S. H. Fly, Jr., Secretary, Board of Managers, Uvalde County, Texas. Servetary, Board of Managers, Uvalde County, Texas. Servetary, Board of Managers, Uvalde County, Texas.

Austin, Texas

Hon. Preston Smith
President of the Senate
Sir:
We, your Committee on Cities Countres & Towns,
to whom was referred 5 B. No. 1/2, have had the same under
consideration, and we are instructed to report it back to the
Senate with the recommendation that it dopass
, and be printed.
falleph
Chairman
Calhon

A BILL TO BE ENTITLED:

an act

authorizing the creation of a Hospital District comprising all of Uvalde County, Texas, and the assumption of all outstanding indebtedness of Uvalde County incurred for hospital purposes; providing that such District shall assume full responsibility for medical and hospital care for the eligible needy residing within the District and authorizing the admission to its hospital of persons who are able to pay; providing that such District shall not be created until authorized by a majority vote of the resident legally qualified property taxpaying voters in said District at an election called by the Commissioners Court on its own motion or upon petition, at which election the proposition for the issuance of bonds of the District may also be submitted; prescribing the form of ballot for said election; providing that failure of any proposition at any such election shall not prohibit the calling and holding of subsequent elections for the same purpose; authorizing the levy of a tax by said District not exceeding Seventy-Five Cents (75¢) on the One Hundred Dollars (\$100.00) valuation of taxable property for the purpose of maintaining and operating a hospital or hospitals and making additions and improvements thereto; providing for the appointment of a Board of Hospital Managers and prescribing its powers and duties; authorizing the establishment of a retirement system for employees of the District; granting the power of eminent domain to the District; providing for the selection of a depository or depositories for funds of the District; prescribing the duties of officers and employees of the District and other officers of the county and state with respect to the District; prohibiting the levy of any tax by Uvalde County, or any city therein, for hospital purposes after the creation of the District; providing the method of assessing and collecting taxes; authorizing the issuance of bonds of the District and prescribing the procedure therefor; authorizing the issuance of refunding bonds by the District; authorizing the conveyance of all hospital properties by Uvalde County to the Hospital District; authorizing the Board of Hospital Managers to accept donations, gifts, and endowments for the Hospital District; making bonds of the District eligible for investment of certain funds and as security for certain deposits; making a finding that local notice has been properly given; providing a savings clause; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. In accordance with the provisions of Article IX,
Section 9, Constitution of the State of Texas, this Act shall be
operative so as to authorize the creation, establishment,
maintenance and operation of a Hospital District within the
State of Texas, to be known as Uvalde County Hospital District, and
the boundaries of said District shall be coextensive with the
boundaries of Uvalde County (hereinafter referred to as the
"County"), and said District shall have the powers and
responsibilities provided by the aforesaid Constitutional provision.

Sec. 2. That said District hereby provided for shall admit patients to the hospital who are inhabitants of the District and who are able to pay for medical and hospital care and shall assume full responsibility for providing medical and hospital care for the eligible needy inhabitants of the District who are not able to pay all or a part of the cost of such medical and hospital care; provided, however, that such Hospital District shall not be created unless and until an election is duly held in said county for such purpose, which said election may be initiated by the Commissioners Court upon its own motion or upon a petition of fifty (50) resident legally qualified property taxpaying voters, to be held not less than thirty (30) days from the time said election is ordered by the Commissioners Court. At such election there shall be submitted to the resident legally qualified property taxpaying voters the proposition of whether or not a Hospital District shall be created in the county; and a majority of the resident legally qualified property taxpaying electors participating in said election voting in favor of the proposition shall be necessary. The ballots for said election shall have printed thereon:

"FOR the creation of a Hospital District; providing for the levy of a tax not to exceed Seventy-Five Cents (75ϕ) on the One Hundred Dollars (\$100.00) valuation; and providing for the assumption by such District of all outstanding bonds heretofore issued by Uvalde County for hospital purposes"; and

"AGAINST the creation of a Hospital District; providing for the levy of a tax not to exceed Seventy-Five Cents (75¢) on the One Hundred Dollars (\$100.00) valuation; and providing for the assumption by such District of all outstanding bonds heretofore issued by Uvalde County for hospital purposes." At said election there may also be submitted the question of the issuance of bonds of the District in an amount that may be prayed for in the aforesaid petition or as determined by the Commissioners Court if said election is ordered on its own motion; and in the event the question of the issuance of bonds is submitted at said election, the ballots shall have printed thereon:

"FOR the issuance of bonds of the District in the amount of and the levying of the tax in payment thereof; provided, however, that said tax together with the tax for maintenance and operation purposes shall never exceed

"AGAINST the issuance of bonds of the District in the amount of and the levying of the tax in payment thereof; provided, however, that said tax together with the tax for maintenance and operation purposes shall never exceed Seventy-Five Cents (75¢) on the One Hundred Dollars (\$100.00) valuation of taxable property in the District."

Seventy-Five Cents (75¢) on the One Hundred Dollars (\$100.00)

Notice of such election shall be posted at the county courthouse door and at a public place in each Commissioner's Precinct in the county at least thirty (30) days prior to the date of the election and shall be published in a newspaper of general circulation published in the county, on the same day in each of three (3) successive weeks, the date of the first publication to be not less than thirty (30) days prior to the date of the election.

The failure of any such election_shall not operate to prohibit the calling and holding of subsequent elections for the same purpose.

Sec. 3. As soon as the Hospital District is created and authorized at the election hereinabove provided, the Commissioners Court shall appoint a Board of Hospital Managers, consisting of six (6) members, three (3) of whom shall serve for a term of two (2) years and three (3) of whom shall serve for a term of one (1) year; thereafter, three (3) members shall be appointed each year to serve for a term of two (2) years. Failure of any member of the Board of Hospital Managers to attend three (3) consecutive regular meetings of the Board shall cause a vacancy in his office, unless such absence is excused by formal action of the Board. In the event a vacancy occurs on the Board of Hospital Managers, the remaining members shall appoint a member to fill such vacancy for the remainder of the term of office so vacated. The Board of Hospital Managers shall serve without compensation but may be reimbursed for their actual and necessary traveling and other expenses incurred in the performance of their duties as determined by the Board of Hospital Managers. The duties of the Board of Hospital Managers shall be to manage, control and administer the hospital or hospital system of the Hospital District. The Board of Hospital Managers shall have the power and authority to sue and be sued and to promulgate rules and regulations for the operation of the hospital or hospital system, including the authority to adopt and amend by-laws governing the proceedings of the Board.__

The Board shall appoint a general manager, to be known as the Administrator of the Hospital District, and who shall receive such compensation as may be fixed by the Board. The Administrator shall be subject to removal at any time by the Board. The Administrator shall, before entering into the discharge of his duties, execute a

bond payable to the District, in the amount of not less than

Ten Thousand Dollars (\$10,000.00), conditioned that he shall well

and faithfully perform the duties required of him, and containing

such other conditions as the Board may require. The Administrator

shall perform all duties which may be required of him by the Board,

and shall supervise all of the work and activities of the District,

and have general direction of the affairs of the District, within

such limitations as may be prescribed by the Board. He shall be a

person qualified by training and experience for the position of

Administrator.

The Board of Hospital Managers_shall give the authority to the Administrator to employ such employees of every kind and character as may be deemed advisable for the efficient operation of the hospital or hospital system.

The Board of Hospital Managers shall be authorized to contract with any county for care and treatment of the county's sick, diseased and injured persons, and with the state and agencies of the Federal Government for the care and treatment of such persons for whom the state and such agencies of the Federal Government are responsible. Further, under the same conditions, the Board of Hospital Managers may enter into such contracts with the state and Federal Government as may be necessary to establish or continue a retirement program for the benefit of its employees.

The Board of Hospital Managers may in addition to retirement programs authorized by this Act establish such other retirement program for the benefit of its employees as it deems necessary and advisable.

A majority of the Board of Hospital Managers present shall constitute a quorum for the transaction of any business. From

among its members, the Board shall choose a Chairman, who shall preside; or in his absence a Chairman Pro Tem shall preside; and the Administrator or any member of the Board may be appointed Secretary. The Board shall require the Secretary to keep suitable records of all proceedings of each meeting of the Board. Such records shall be read and signed after each meeting by the Chairman or the member presiding, and attested by the Secretary. The Board shall have a seal, on which shall be engraved the name of the Hospital District; and said seal shall be kept by the Secretary and used in authentication of all acts of the Board.

Sec. 4. The Board of Hospital Managers shall have the power to prescribe the method and manner of making purchases and expenditures by and for such Hospital District and also shall be authorized to prescribe all accounting and control procedures. The Board shall cause an annual audit to be made of the books and records of the District as soon as practicable after the close of each fiscal year, such audit to cover such fiscal year, and to be made by an independent public accountant. The Hospital District shall pay all salaries and expenses necessarily incurred by the Board or any of its officers and agents in performing any duties which may be prescribed or required under this Section. It shall be the duty of any officer, employee or agent of the Board to perform and carry out any function or service prescribed by the Board hereunder.

Sec. 5. In the event of incapacity, absence or inability of the Administrator to discharge any of the duties required of him, the Board may designate an assistant to the Administrator to discharge any duties or functions required of the Administrator. Such assistant or other persons shall give bond and have such limitations upon his authority as may be fixed by the order of the Board.

Sec. 6. Once each year, as soon as practicable after the close of the fiscal year, the Administrator of the Hospital District shall report to the Board of Hospital Managers and the Commissioners Court, a full sworn statement of all moneys and choses in action received by such Administrator and how disbursed or otherwise disposed of. Such report shall show in detail the operations of the District for the year. Under the direction of the Board of Hospital Managers, he shall prepare an annual budget which shall be approved by the Board of Hospital Managers.

Sec. 7. The Hospital District organized in pursuance of this Act shall have the right and power of eminent domain for the purpose of acquiring by condemnation any and all property of any kind or character, real, personal or mixed, or any interest therein, including outright ownership of such property in fee simple absolute, within the boundaries of the said District, necessary or convenient to the exercise of the rights, powers, privileges, and functions conferred upon it by this Act; in the manner provided by General Law with respect to condemnation; provided that the said District shall not be required to make deposits in the registry of the trial court of the sum required by Paragraph Numbered 2 in Article 3268, V.C.S., 1925, or to make the bond required therein. In condemnation proceedings being prosecuted by the said District, the District shall not be required to pay in advance or give any

bond otherwise required for the issuance of a temporary restraining order or a temporary injunction relating to a condemnation proceeding, nor to give bond for costs or for supersedeas or any appeal or writ of error proceeding to any Court of Civil Appeals, or to the Supreme Court.

- Sec. 8. Within thirty (30) days after the appointment of the Board of Hospital Managers of the District and each two (2) years thereafter the Board shall select a depository or depositories for such District; such depository or depositories shall secure all funds of the District in the manner now provided for the security of county funds.
- Sec. 9. The Hospital District established or maintained under the provisions of this Act shall be subject to inspection by any duly authorized representative of the State Board of Health, and resident officers shall admit such representatives into all Hospital District facilities and give them access on demand to all records, reports, books, papers, and accounts pertaining to the Hospital District.
- Sec. 10. The Board of Hospital Managers shall be authorized to employ legal counsel to represent the Hospital District in all legal matters whenever the Board deems such action advisable.
- Sec. 11. Neither the county nor any city therein shall, after the Hospital District has been organized in pursuance of this Act, levy any tax for hospital purposes; and such Hospital District shall be deemed to have assumed full responsibility for the furnishing of medical and hospital care for the eligible needy and indigent persons residing in said Hospital District from the date that taxes are collected for the Hospital District.

That portion of delinquent taxes owed the county on levies for present county hospital system shall continue to be paid to

S. B. No. 112

the Hospital District by the county as collected and shall be applied by the Hospital District to the purposes for which such taxes originally were levied.

Sec. 12. Whenever a patient has been admitted to the facilities of the Hospital District from the county, the Administrator shall cause inquiry to be made as to his circumstances, and of the relatives of such patient legally liable for his support. If he finds that such patient or said relatives are liable to pay for his care and treatment in whole or in part, an order shall be made directing such patient, or said relatives, to pay to the Hospital District for the care of such patient a specified sum per week, in proportion to their financial ability, but such sum shall not exceed the usual and customary charges for services rendered. The Administrator shall have power and authority to collect such sum from the estate of the patient, or his relatives legally liable for his support, in the manner provided by law for the collection of expenses of the last illness of a deceased person. If the Administrator finds that such patient or said relatives are not able to pay, either in whole or in part, for his care and treatment in such hospital, the same shall become a charge upon the Hospital District. Should there be a dispute as to the ability to pay, or doubt in the mind of the Administrator, the County Court shall hear and determine same, after calling witnesses, and shall make such order as may be proper, from which appeal shall lie to the District Court by either party to the

Sec. 13. The Board of Hospital Managers shall have the power and authority, and it shall be its duty, to levy on all property subject to Hospital District taxation, a tax of not to exceed

Seventy-Five Cents (75¢) on the One Hundred Dollars (\$100.00) valuation of all taxable property within the Hospital District for the purpose of (1) paying the interest on and creating a sinking fund for bonds which may have been assumed or which may be issued by the Hospital District for hospital purposes as herein provided; (2) providing for the operation and maintenance of the hospital or hospital system; and (3) making further improvements and additions to the hospital system and acquiring necessary sites therefor, by purchase, lease or condemnation.

The tax so levied shall be collected on all property subject to Hospital District taxation by the Assessor and Collector of Taxes for the county on the county values, and in the same namer, and under the same conditions, as county taxes; provided, however, that the Hospital District may appoint its own Assessor and Collector of Taxes and may assess and collect taxes in the same manner as now provided by General Law for independent school districts. When the County Assessor and Collector of Taxes is serving as Assessor and Collector for the Hospital District, he shall charge and deduct from payments to the Hospital District the fees for assessing and collecting the tax at the rate of one and one-half per cent (1-1/2%) of the amounts collected. Such fees shall be deposited in the County's General Fund, and shall be reported as fees of office of the Tax Assessor and Collector.

The Assessor and Collector of Taxes shall execute a bond payable to the Hospital District in an amount prescribed by the Board of Hospital Managers, which shall be not less than the maximum amount of money which will be held by such Assessor and Collector of Taxes at any one time. A report shall

be filed with the Board of Hospital Managers on the first day of each month by the Assessor and Collector of Taxes showing the amount of taxes collected during the previous month and the amount so collected shall be deposited by the Assessor and Collector of Taxes in the District's depository or depositories to the credit of the Hospital District.

Interest and penalties on taxes paid to the Hospital District shall be the same as in the case of county taxes. Discounts shall be the same as for county taxes. The residue of tax collections, after deduction of discounts and fees for assessing and collecting, shall be deposited in the District depository or depositories; and such funds shall be withdrawn only as provided herein. All other income of the Hospital District shall be deposited in like manner with the District depository or depositories.

The Board of Hospital Managers shall have the authority to levy the tax aforesaid for the entire year in which the said Hospital District is established for the purpose of securing funds to initiate the operation of the Hospital District, and to pay the principal of and interest on all bonds issued or assumed by the District.

Sec. 14. The Board of Hospital Managers shall have the power and authority to issue and sell, as the obligations of such Hospital District, bonds for the purchase, construction, acquisition, repair or renovation of buildings and improvements and equipping same, for hospital purposes and for any or all of such purposes; provided that a sufficient tax shall be levied to create an interest and sinking fund to pay the interest and principal as same matures and that said tax, together with any other taxes levied for said District, shall not exceed Seventy-Five Cents (75ϕ)

on the One Hundred Dollars (\$100.00) valuation of taxable property in any one year. Such bonds shall be executed in the name of the Hospital District and on its behalf by the Chairman of the Board of Hospital Managers, and countersigned by the Secretary of the Board, and shall be subject to the same requirements in the matter of approval thereof by the Attorney General of the State of Texas and registration thereof by the Comptroller of Public Accounts of the State of Texas as are by law provided for such approval and registration of bonds of the county; and the approval of such bonds by the Attorney General shall have the same force and effect as is by law given to his approval of bonds of the county. No bonds shall be issued by such Hospital District (except refunding bonds) until authorized by a majority vote of the legally qualified property taxpaying voters residing in such Hospital District voting at an election called and held in accordance with the provisions of Chapter 1, Title 22, of the Revised Civil Statutes of the State of Texas (1925), as amended, relating to county bonds. Such election shall be called by the Board of Hospital Managers, and such Board shall designate the places for holding said election and shall name the persons who shall conduct said election, in the manner provided by General Law. In the event the initial bonds are voted at an election called by the Commissioners Court at the time of the election for the creation of the District, such initial election shall be governed by the provisions of Section 2 hereof.

In the manner hereinabove provided, the bonds of such Hospital District may, without the necessity of any election therefor, be issued for the purpose of refunding or paying off any bonded indebtedness theretofore assumed by the Hospital District

and any bonds theretofore issued by the Hospital District; such refunding bonds may be sold and the proceeds thereof applied to the payment of any such outstanding bonds or may be exchanged in whole or in part for not less than a like amount of said outstanding bonds and interest matured thereon, but unpaid; provided the average interest cost per annum on the refunding bonds, computed in accordance with the recognized standard bond interest cost tables, shall not exceed the average interest cost per annum so computed upon the bonds to be discharged out of the proceeds of the refunding bonds, unless the total interest cost on the refunding bonds, computed to their respective maturity dates, is less than the total interest cost so computed on the bonds to be discharged out of such proceeds. In the foregoing computations, any premium or premiums required to be paid upon the bonds to be refunded as a condition to the payment in advance of their stated maturity dates shall be taken into account as an addition to the net interest cost to the Hospital District of the refunding bonds.

Sec. 15. Any lands, buildings or equipment that may be owned by the county, and by which medical services or hospital care, including geriatric care, are furnished to the indigent or needy persons of the county, shall become the property of the Hospital District; and title thereto shall vest in the Hospital District; and any funds of the county which are the proceeds of any bonds assumed by the Hospital District, as hereby provided, shall become the funds of the Hospital District; and title thereto shall vest in the Hospital District; and there shall vest in the Hospital District and become the funds of the Hospital District set.

up or appropriated by budget or otherwise by the county for the support and maintenance of the hospital facilities for the year within which the Hospital District comes into existence, thereby providing such Hospital District with funds with which to maintain and operate such facilities for the remainder of such year. All obligations under contract legally incurred by the county for the building of, or the support and maintenance of, hospital facilities, prior to the creation of the said District but outstanding at the time of the creation of the District, shall be assumed and discharged by it without prejudice to the rights of third parties, provided that the management and control of the property and affairs of the present hospital system shall continue in the Board of Managers of the present hospital system until appointment and organization of the Board of Hospital Managers of the Hospital District, at which time the Board of Managers of the present hospital system shall turn over all records, property and affairs of said hospital system to the Board of Hospital Managers of the Hospital District.

Any outstanding bonded indebtedness incurred by the county in the acquisition of such lands, buildings and equipment, or in the construction and equipping of such hospital facilities, together with any other outstanding bonds issued by the county for hospital purposes, and the proceeds of which are in whole or in part still unspent, shall be assumed by the Hospital District and become the obligation of the Hospital District; and the county shall be by the Hospital District relieved of any further liability for the payment thereof, or for providing interest and sinking fund requirements thereon; provided that nothing herein contained shall limit or affect any of the rights of any of the holders of such

bonds against the payment of the principal or interest on any of such bonds in accordance with their respective terms.

The Commissioners Court, as soon as the Hospital District is created and authorized at the election hereinabove provided, and there have been appointed and qualified the Board of Hospital Managers hereinabove provided for, shall execute and deliver to the Hospital District, to-wit: to its said Board of Hospital Managers, an instrument in writing conveying to said Hospital District the hospital property, including lands, buildings and equipment; and shall transfer to said Hospital District the funds hereinabove provided to become vested in the Hospital District, upon being furnished the certificate of the Chairman of the Board to the fact that a depository for the District's funds has been selected and has qualified; which funds shall, in the hands of the Hospital District and of its Board of Hospital Managers, be used for all or any of the same purposes as, and for no other purposes than, the purposes for which the county could lawfully have used the same had they remained the property and funds of such county_____

Sec. 16. The Board of Hospital Managers of the Hospital District is authorized on behalf of said Hospital District to accept donations, gifts, and endowments for the Hospital District, to be held in trust and administered by the Board of Hospital Managers for such purposes and under such directions, limitations, and provisions as may be prescribed in writing by donor, not inconsistent with proper management and objects of the Hospital District.

Sec. 17. All bonds (including refunding bonds) issued by or assumed by the District authorized to be established and created

under the provisions of this Act shall be and are declared to be legal and authorized investments for banks, savings banks, trust companies, fiduciaries, building and loan associations, insurance companies, trustees, guardians, and for the sinking funds of cities, towns, villages, counties, school districts, or other political corporations or subdivisions of the State of Texas; and such bonds shall be lawful and sufficient security for deposits to the extent of their face value when accompanied by all unmatured coupons appurtenant thereto.

- Sec. 18. The Legislature hereby finds affirmatively that thirty (30) days' public notice was duly given in accordance with the provisions of Article IX, Section 9, of the Constitution of the State of Texas, of the intention to apply to this Legislature to enact a law providing for the creation, establishment, maintenance and operation of the Hospital District herein provided for.
- Sec. 19. If any word, phrase, sentence, Section, portion or provision of this Act or the application thereof to any person or circumstance shall be held to be invalid or unconstitutional, the remainder of this Act, and the application of such word, phrase, sentence, Section, portion or provision to other persons or circumstances, shall not be affected thereby. In the event any of the provisions hereof shall be in conflict with any other law of this state, the provisions of this Act shall prevail.
- Sec. 20. The fact that the Hospital District authorized to be created and established under the provisions of this Act is for the promotion of the public welfare of the inhabitants of the county and the procedure for the creation thereof should be

established at an early date creates an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three several days in each House be suspended, and said Rule is hereby suspended; and that this Act shall take effect and be in force from and after its passage, and it is so enacted.

Read first time

and referred to Committee Counties, Cities and Towns

FEB 11 1965 Reported Favorably.

FEB 11 1965

Ordered not printed by the Senata

FEB 16 1965

Regular order of business and Senate Rule 116 and Sec. 5, Art. III of the Constitution suspended by vote of _______ yeas, ______ nays, to permit consideration.

FEB 1 6 1965

READ SECOND TIME

AND ORDERED ENGROSSED .

FEB 1 6 1965

FEB 16 1965

BEAD THIRD TIME AND PASSED BY THE FOLLOWING VOTE:

Charles Schnabel

(Continued)

5. B. NO. 112 By Crump.

A BILL

TO BE ENTITLED

AN ACT authorizing the creation of a Hospital District comprising all of Uvalde County. Texas, and the assumption of all outstanding indebtedness of Uvalde County incurred for hospital purposes; providing that such District shall assume full responsibility for medical and hospital care for the eligible needy residing within the District and authorizing the admission to its hospital of persons who are able to pay; 3 providing that such District 🤚 shall not be created until authorized by a majority vote of the resident legally quali-. fied property taxpaying voters in said District at an election called by the Commissioners* Court on its own motion or upon petition, at which election the proposition for the issuance of bonds of the District may also be submitted; prescribing the form of ballot for said election; providing that failure of any proposition at any such election shall not prohibit the calling and holding of subsequent elections for the same purpose; authorizing the levy of a tax by said District not exceeding Seventy-five Gents (75¢) on the One Hundred Dollars (\$100.00) valuation of taxable property for the purpose of maintaining and operating a hospital or hospitals

Engrossing Clerk

and making additions and improvements thereto; providing for the appointment of a Board of Hospital Managers and prescribing its powers and duties; authorizing the establishment of a retirement system for employees of the District; granting the power of eminent domain to the District: providing for the selection of a depository or depositories for funds of the District; prescribing the duties of officers and employees of the District and other officers of the County and State with respect to the District: prohibiting the levy of any tax by Uvalde County, or any city therein, for hospital purposes after the creation of the District; providing the method of assessing and collecting taxes; authorizing the issuance of bonds of the District and prescribing the procedure therefor; authorizing the issuance of refunding bonds by the District; authorizing the conveyance of all hospital properties by Uvalde County to the Hospital District: authorizing the Board of Hospital Managers to accept donations, gifts, and endowments for the Hospital District; making bonds of the District eligible for investment of certain funds and as security for certain deposits: making a finding that local notice has been properly given; providing a savings clause; and declaring an emergency.

(Continued)

FEB 17 1965

A BILL TO BE ENTITLED:

all of Uvalde County, Texas, and the assumption of all outstanding indebtedness of Uvalde County incurred for hospital purposes; providing that such District shall assume full responsibility for medical and hospital care for the eligible needy residing within the District and authorizing the admission to its hospital of persons who are able to pay; providing that such District shall not be created until authorized by a majority vote of the resident legally qualified property taxpaying voters in said District at an election called by the Commissioners Court on its own motion or upon petition, at which election the proposition for the issuance of bonds of the District may also be submitted; etc., and declaring an emergency.

1-28-65 Read first time and referred to Committee on Counties, Cities and Towns_____

2-11-65 Reported favorably_____

2-11-65 Ordered not printed by the Senate.

2-16-65 Regular order of business and Senate Rule 116 and Sec. 5, Art. III of the Constitution suspended by vote of 30 Yeas, 0 Nays, to permit consideration.

2-16-65 Read second time and ordered engrossed.

2-16-65 Senate Rule 32 and Constitutional Rule (Sec. 32, Art. III) suspended by a vote of 30 Yeas, 0 Nays, to place bill on third reading and final passage.

2-16-65 Read third time and passed by the following vote: 30 Yeas, 0 Nays.

Charles Schnabel, Secretary of the Senate.

2-16-65 Engrossed____

FEB 17 1965

SENT TO HENGED SSING CLERK

Received from the Senate.

Dorotty Haceman

Chief Clerk, House of Representatives

FEB 18 1965

READ 1ST TIME
AND REFERRED TO COMMITTEE ON

Counties